FCC to Reverse Unlawful Expansion of COVID Spending Program for Wi-Fi Hotspots

Action Overturns 2024 Wi-Fi Hotspots Order Which Used E-Rate Funds for Off-Premises Services

WASHINGTON, September 30, 2025—Today, the Federal Communications Commission took action to reverse the agency's Biden-era decision to expand the universal service program to fund hotspots that students or library patrons could use outside of a school or library. The prior FCC decision was found to have plainly exceeded the FCC's authority, which Congress limited to funding connections at schools and libraries.

Under the E-Rate program, eligible schools and libraries may request universal service discounts for eligible services and/or equipment for service to classrooms or libraries. The FCC's 2024 Wi-Fi Hotspots Order expanded the universal service program to fund off-premises use of hotspots.

The Order on Reconsideration adopted today finds that the FCC lacked legal authority for this expansion and that the agency failed to properly justify its decision. The prior agency action also represented unreasonable policy choices given the evidence in the record, poor stewardship of scarce funds, and invited waste, fraud, and abuse.

As a result of today's action, the Universal Service Administrative Company will be directed to deny pending funding year 2025 requests for E-Rate funds to support the off-premises use of Wi-Fi hotspots.

Action by the Commission September 30, 2025 by Order on Reconsideration (FCC 25-62). Chairman Carr, Commissioner Trusty approving. Commissioner Gomez dissenting. Chairman Carr, Commissioners Gomez and Trusty issuing separate statements.

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